

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re: : Chapter 11
LEHMAN BROTHERS HOLDINGS INC., *et al.*, : Case No. 08-13555 (JMP)
Debtors. : (Jointly Administered)
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In re: :
LEHMAN BROTHERS FINANCE AG, IN LIQUIDATION, : Chapter 15
a/k/a LEHMAN BROTHERS FINANCE SA, IN : Case No. 09-10583 (JMP)
LIQUIDATION, :
Debtor in a Foreign Proceeding. :
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PRUDENTIAL GLOBAL FUNDING LLC, :
Plaintiff, : Adversary Proceeding
- against - : Case No. 09-01423 (JMP)
LEHMAN BROTHERS SPECIAL FINANCING :
INC., LEHMAN BROTHERS HOLDINGS INC., :
and LEHMAN BROTHERS FINANCE AG, :
Defendants. :
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LEHMAN BROTHERS SPECIAL FINANCING :
INC., and LEHMAN BROTHERS HOLDINGS INC., :
Counterclaim-Plaintiffs, :
- against - :
PRUDENTIAL GLOBAL FUNDING LLC :
Counterclaim-Defendant. :
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LEHMAN BROTHERS SPECIAL FINANCING :
INC., and LEHMAN BROTHERS HOLDINGS INC., :
Cross-Claim-Plaintiffs, :
- against - :

LEHMAN BROTHERS FINANCE AG,

Cross-Claim-Defendant.

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SO ORDERED STIPULATION OF DISMISSAL WITH PREJUDICE
AND ALLOWANCE OF GENERAL UNSECURED CLAIM

Debtors, Defendants and Counterclaim-Plaintiffs Lehman Brothers Special
Financing Inc. (“LBSF”) and Lehman Brothers Holdings Inc. (“Holdings”) and Plaintiff and
Counterclaim-Defendant Prudential Global Funding LLC (previously known as Prudential
Global Funding, Inc.) (“Prudential”) hereby stipulate and agree, and upon Court approval hereof
it shall be ordered, that:

1. Prudential’s claims asserted in the Adversary Complaint as against LBSF and
Holdings are hereby dismissed with prejudice;
2. LBSF’s and Holdings’ counterclaims asserted in the Answer, Affirmative
Defenses, Counterclaims and Cross-Claims of Lehman Brothers Special Financing Inc. and
Lehman Brothers Holdings Inc. as against Prudential are hereby dismissed with prejudice;
3. Proof of Claim No. 20274 and Proof of Claim No. 20275 and all related
Derivative Questionnaires and/or Guarantee Questionnaires (in each case, as defined in the Order
Pursuant to Section 502(b)(9) of the Bankruptcy Code and Bankruptcy Rules 3003(c)(3)
Establishing the Deadline for Filing Proofs of Claim, Approving the Form and Manner of Notice
Thereof and Approving the Proof of Claim Form, dated July 2, 2009) against LBSF and
Holdings are hereby disallowed and expunged in their entirety with prejudice;

4. Proof of Claim No. 20273 and all related Derivatives Questionnaires and/or Guarantee Questionnaires are hereby amended and allowed to reflect a single aggregate non-priority general unsecured claim against Holdings in respect of Holdings' guaranty of the obligations of Lehman Brothers Finance S.A. under that certain 1992 ISDA Master Agreement, between Prudential, Holdings and Lehman Brothers Finance S.A., dated as of March 11, 1997, (together with certain schedules, a credit support annex, documents, confirmations and a guaranty of the obligations of Lehman Brothers Finance S.A. by Holdings, the "Lehman Switzerland Agreement") in a fixed amount equal to \$200,000,000 (TWO HUNDRED MILLION);

5. Each party shall bear its own costs, expenses, and attorney's fees incurred with respect to this action; and

6. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation and interpretation of this Stipulation.

AGREED TO:

Dated: May 17, 2011
New York, New York

By: <u>/s/ George A. Zimmerman</u> George A. Zimmerman Lea Haber Kuck Mark A. McDermott SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP Four Times Square New York, New York 10036 Telephone: (212) 735-3000 Fax: (212) 735-2000	By: <u>/s/ Jayant W. Tambe</u> Jayant W. Tambe Sevan Ogulluk Aviva Warter Sisitsky Sarah E. Lieber JONES DAY 222 E 41st Street New York, New York 10017-6702 Telephone: (212) 326-3939 Fax: (212) 755-7306
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<i>Attorneys for Prudential Global Funding LLC</i>	<i>Attorneys for Lehman Brothers Special Financial Inc. and Lehman Brothers Holdings Inc.</i>
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SO ORDERED:

Dated: New York, New York
June 2, 2011

s/ James M. Peck
HONORABLE JAMES M. PECK
UNITED STATES BANKRUPTCY JUDGE